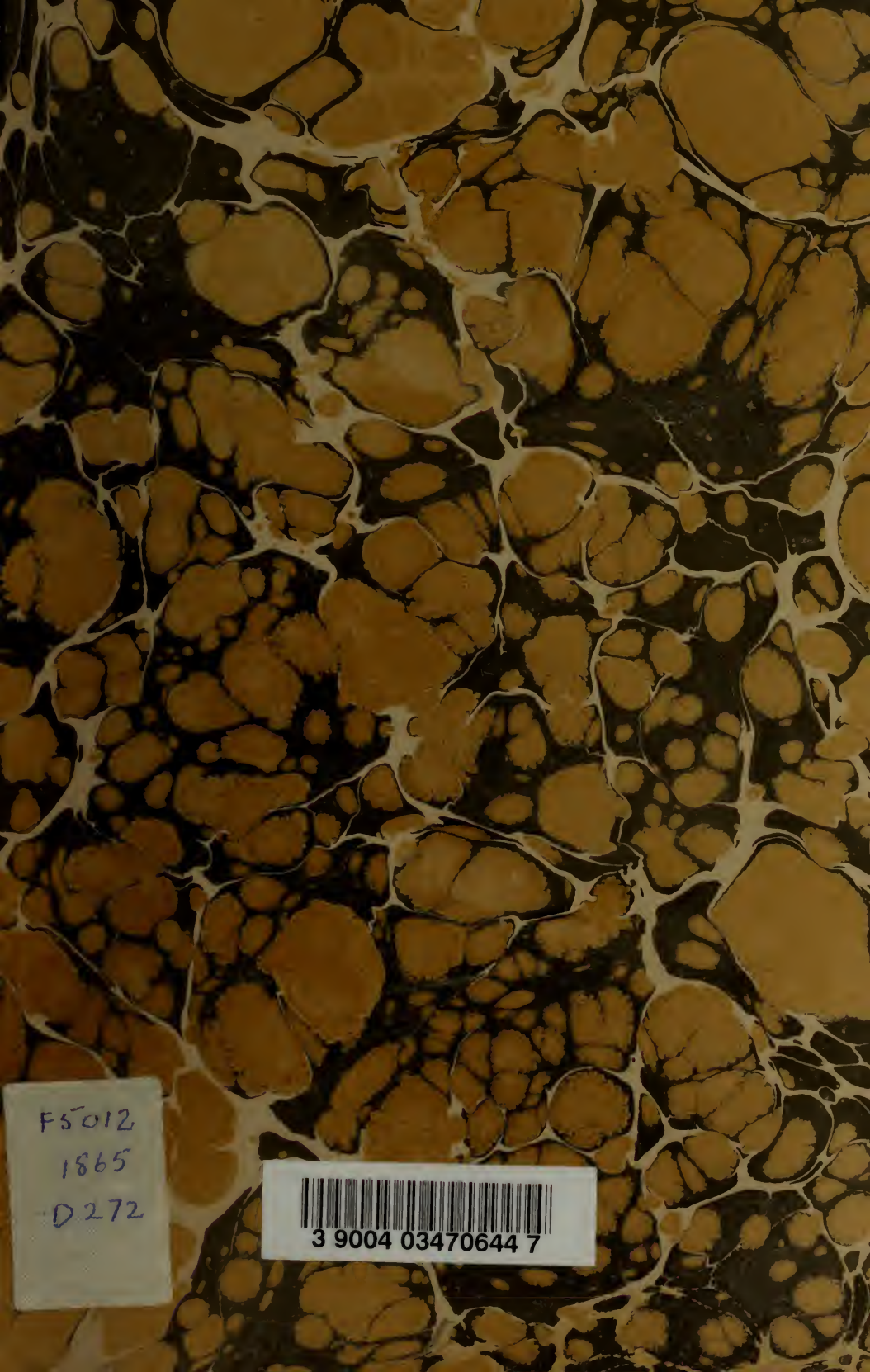
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MEMORANDUM

IN RELATION TO THE

Gold Mines of the Chaudiere,

IN

LOWER CANADA.

New York:
C. S. WESTCOTT & CO., PRINTERS,
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MINT OF THE UNITED STATES,

PHILADELPHIA, *March* 20, 1865.

DEAR SIR: As the gold fields of Canada are now exciting a good deal of interest, the questions sometimes arise, how gold, so situated, should have remained undiscovered so long; why, since its discovery, a good many years ago, it should have continued undeveloped until now; and what new evidence has transpired, to attract public attention to it at the present time?

Knowing that you were long a member of the Legislature from that section of the province, and have been connected with the Canadian government, superintending important public interests in that direction, I would be glad if you could answer these points.

Yours, very truly,

JAS. POLLOCK.

To WM. McD. DAWSON, Esq.,
(of Three Rivers, Canada,)
Fifth Avenue Hotel, New York.

FIFTH AVENUE HOTEL,

NEW YORK, 21*st March*, 1865.

DEAR SIR: Having met with such questions as yours before, I had already drawn up a memorandum, giving a brief review of the discovery of the gold fields of Lower Canada, which I think meets the points you have raised, and which may be used as you see fit. The special reference to particular properties is equally applicable to other places, according to the relation they bear to known points of value.

Yours, very truly,

WM. McD. DAWSON.

To the Honorable JAMES POLLOCK,
Director United States Mint, &c.,
Philadelphia.

MEMORANDUM.

A number of years ago, gold was discovered on a small tributary of the Chaudière river, now called the *Gilbert*, in the seigniory of Vaudreuil, in Lower Canada. The discovery was brought under the notice of the government by the Seignior, Mr. de Lery, and a patent obtained by him for the exclusive working of the gold mines within the said seigniory. This patent was granted in 1846, and some desultory work was carried on under it, but not in any systematic or energetic manner, and the public being shut out from the supposed sole locality where gold was obtained, but little public interest was manifested in it.

The discovery of gold in California, however, having excited attention, the labors of the Geological Survey of Canada were extended to the valley of the Chaudière about the years 1851–52, &c., and it was then for the first time ascertained that gold was to be found over a wide area outside of the seigniory covered by the exclusive patent.

About this time, also, some experimental gold mining operations were carried on upon a small scale at Jersey point—the confluence of the Chaudière and Du Loup—the result of which has been reported by Sir William Logan, who inspected the work while carrying on the survey, as above, and that result in brief was, that the actual operations produced $4,323 in gold, at an outlay of $2,957, leaving a profit of $1,366, which, coupled with the want of skill exhibited in the proceedings, or any knowledge of the mode

of alluvial gold-digging, which had not yet travelled back from the experiences then being acquired in California, must be considered a decided success. It may be here remarked that the work at Jersey point was discontinued because of a defective title.

The survey by Sir William Logan amounted, so far as the actual search for gold was concerned, to the *merest "prospecting,"* such as trying a panful of earth here and there. There was no attempt to solve the question as to *quantity*, by digging down to the bed-rock, and no search for gold-bearing quartz, the design being rather to ascertain the *extent* of the auriferous belt than its *value*. In this superficial examination gold was found almost upon every trial on the Plante, the Gilbert, the Famine, the Etchemin, the Du Loup and tributaries, and on the main Chaudière and other tributary streams, and also on the St. Francis, in the direction of Sherbrooke, lying within the same belt of country. It must be remarked, however, that at that period the mode of working alluvial mines for gold was less known to our scientific men than it now is to the commonest laborer who has had experience at the "*diggings*" in any of the gold-producing countries.

In the rush to California and Australia at that period, the existence of an auriferous country in Lower Canada seems, indeed, to have been in a manner lost sight of without the fact having ever been fairly tested as to whether gold was there in paying quantity or not. This was due, in a great measure, perhaps absolutely, to an idea that got possession of the public mind that the gold was not the product of the country, but had been accidentally scattered through the localities where found by an "*ancient drift*" from some foreign source—an idea somewhat attributable, to the frequent

mention in the geological reports of the period of the "*glacial drift*" as being that at which the deposits were made. At the date of these reports it may be remembered that speculation was rife as to whether such a tremendous influx of adventurers into the neighborhood of a quiet, well-ordered community as took place into California would have been more of a blessing or a misfortune. It is quite clear, from a perusal of the reports, that, with the experiences of California then transpiring before his eyes, Sir William Logan was fearful lest what he did say might have caused an exodus from the settlements calculated to upset all the ordinary avocations of industry, and, with his habitual caution, he rather encouraged careful investigation than the rush of a crowd to the locality. He, therefore, only reported facts; but what were these facts, read by the light of the experience since derived from other gold regions? Why, wherever he tried the earth—the mere surface—he found particles of gold. Would not such a fact in relation to any newly-explored district in California have caused the wildest excitement among the miners, and an immediate rush to the locality? How many a rich claim has shown no particle of gold in the surface earth, and yet the miners, judging of the spots where from its weight it would sink down into the depressions of the rock, have persevered without seeing a "*color*" to stimulate their hopes until they have been rewarded by the rich deposits at the bottom. Is it possible that the gold of Canada obeys a different law, and remains at the top instead of sinking by its specific gravity through the loose material of the drift to its proper level? Or, is it not natural to suppose that gold, being admittedly more universally found in the surface material on the Chaudière than in any of the other gold countries, *may* also be in

greater abundance in its natural position at the bottom of the drift?

Notwithstanding that an influx of strangers was prevented by the general misapprehension of the character and origin of the gold deposit—which has only quite recently been dissipated by the now known fact, that the gold is the product of the country itself—some desultory work was carried on occasionally by the farmers; and, though without the experience of practical miners, always with considerable success. But a general desire has prevailed among them to conceal the amount realized, because they thought the gold would all be seized if known to be of importance.

During the summer of 1863, however, a better knowledge of digging seems to have been introduced among them, and, instead of washing the surface earth, some of the more enterprising dug deeper, and were rewarded by such success that the quantities of gold brought to Quebec for sale attracted attention, and a considerable number of people began prospecting and purchasing land. The government also sent an inspector to the locality whose report was very favorable, but it was difficult to ascertain the exact quantity of gold mined. It was generally supposed, however, that the amount obtained from one small spot on the *Gilbert*, during the summer and fall, would not fall short of from $50,000 to $60,000.

Some gentlemen from New York, having visited the Chaudière at this time, applied to capitalists in this city to entertain the purchase of the de Lery patent, and a gentleman who was incredulous, but otherwise willing to speculate, at last consented to visit the locality, remarking that he would take money enough with him to buy all the gold that could be found in the country. On arriving at St. Francis, he

purchased some few thousand dollars' worth of gold, and intimated that he would buy as much as the people could bring to him. The price being rather higher than they had been in the habit of getting, and the market thus brought to their doors, he found himself next morning besieged by a crowd of people, with gold in plates, in saucers, in teacups, in tin pans, in bags, &c., and in such quantity that he had to confess it was altogether beyond his means of purchasing. This led to the purchase of the de Lery patent, but the death of the gentleman in question delayed the operations intended under it.

In the spring of 1864, a considerable number of people visited the auriferous region, before the working season commenced, with the view of securing good locations, but the prosecution of their enterprise was prevented, and many left in disgust, without the intention of returning again, *because no locations could be had on any terms.*

This was due to the fact that, theoretically, the Crown owned all the gold on private as well as on public land. The de Lery patent had been granted for mining within the seigniory of Vaudreuil, burdened with a *royalty of ten per cent. of the gross proceeds*, and a bill was before Parliament, then in session, to provide for the leasing of claims by the government *on private as well as public property, and ignoring all right to the gold on the part of the proprietors of the soil.* This bill encountered great hostility, and roused such a spirit of dissatisfaction—almost of threatened resistance—among the people of the district, that the crowd of new-comers, to the number of several thousand, not only received no encouragement, but were looked upon as interlopers come to rob them of their rights ; and the natural consequence was, that the adventurers—who had come, at any

rate, rather early in the season, while mining was yet impracticable, from the spring floods—being unable to procure mining locations either on private property or under any public law, and seeing that some who had commenced work without permission were *arrested for trespass*, gradually went off, many, indeed, intending to return, had not the gold-mining Act been finally passed so late in summer as practically to spoil the season.

It may be here remarked that the obnoxious bill mentioned as being before the legislature was ultimately withdrawn, and a very liberal act passed, by which the right to the gold is recognized in the proprietor of the soil; the royalty is abolished—except in the one case of the mining patent previously granted; and a trifling and easily-understood poll-tax of one dollar per month on each working miner imposed.

About two hundred and fifty men did continue at work a part of the season, on a small space of between *two* and *three* acres on the Gilbert River, and met with great success, having obtained, at the lowest estimate, over $116,000 of gold in about one hundred and sixteen days' work, as computed by the division gold inspector. It is known, however, that the miners have at times been averaging as high as $10 to the hand per day, and some parties as high as $30. And it must be taken into consideration that they had every motive to conceal the actual quantity, inasmuch as they were working on the tract excluded from the operation of the new law and subject under the de Lery patent to a royalty of ten per cent., while at the same time they were acting on proprietary rights in violation of the patent, and liable to be called upon to refund the gold should the patent, which is in litigation, be maintained. The miners had, therefore, every motive to report as small a quantity as possible, and

hence the actual quantity may be considered in excess of the inspector's report; but taken even at that, it is a splendid average for *unskilled labor*.

In other parts of the auriferous region, little more was done than "*prospecting*" by the owners of the land, after the new law of last summer had guaranteed their rights, and some few intending purchasers who have had reports from geologists and practical miners, and in every instance known to the writer these reports have been favorable in the highest degree. It may be safely asserted that whatever doubt may have existed—such as may still exist in the minds of some—on account of the seeming absurdity of a productive gold field having remained so long undeveloped at our very doors, these doubts have been removed in every instance by a visit to the country, and an inspection of the mining in progress during last summer.

Nor is it so wonderful that the richness of the district should not have been known before. California was inhabited by a similar non-progressive population for a long period before gold was discovered, although the search for the precious metals was the original cause of its settlement. Nova Scotia was never dreamed of as a gold field until within a few years; and so with regard to the Chaudière, where the great bulk of the auriferous region is clothed with thick forests, and its mere outskirts peopled by a most quiet and non-progressive people, content with the simple abundance in which they live.

Viewed, therefore, as a field for speculation, these points present themselves for consideration:

First: That a very superficial examination, a number of years ago, proved that the country, within a certain area, was auriferous—gold being found wherever tried.

Second : That the only experiment reported at that time calculated to test the question, proved the gold to be in paying quantity at the place tried—Jersey Point.

Third : That within the last eighteen months gold has been found in numerous places in paying quantity, and has been worked with great success on the Gilbert—one of the nearest points, be it remarked, of the gold region to the more thickly settled portion of the country.

Fourth : That the Gilbert being the most developed, simply because the nearest to a dense population, may be taken as some basis of calculation—the paying character of the mining on it being a settled matter beyond dispute—a spot of between two and three acres having already yielded to *unskilled labor* between $150,000 and $200,000 in gold.

Fifth : That a considerable extent of country, especially on the Famine, Du Loup, and tributaries, that has been prospected, shows precisely the same indications as the rich tract worked on the Gilbert ; many of the places most fully prospected yielding more gold than the Gilbert did when only prospected to the same extent.

Sixth : That when the country was superficially inspected by Sir William Logan, he found no stronger indications of gold being in quantity on the Gilbert than the other places reported on.

Is it then reasonable to suppose that the Gilbert is the only rich spot—or that it is the richest spot—or that it is even anything more than the average of the paying parts of the auriferous belt, and as likely below as above the average ?

The prospecting on the Famine, Du Loup and tributaries, Metgermette, &c., has satisfied the parties interested that they have found as rich deposits as those on the Gilbert (some think richer), and several companies have been formed who are now preparing to work extensively on these rivers during the coming season, besides the Chaudière Company, the Du Loup Company, and the Reciprocity Company, who have large tracts, and are making arrangements for extensive operations. One company on the Famine put up houses for workmen, cleared considerable quantities of land, and worked gold enough last season to determine the points where they are to operate, and are preparing for active work next summer. Several smaller companies are also preparing to work on this river. On the Du Loup also several companies are preparing to work. A tract of land, about two hundred and sixty acres, has lately been purchased for nearly $50,000 in cash. Another, a little over three hundred acres, at about $50,000 for a half interest. A lot of two hundred acres was disposed of last fall to a company for $100,000 preparatory to operations next summer, and several other companies have made purchases, or are in treaty for lands at greater or less prices, according to the extent to which the localities have been prospected.

In referring to certain lands in which it is intended to dispose of an interest, there is every desire to place the matter fairly on its merits. It is therefore not pretended that these lands have been fully developed. They have been so far prospected as to justify the assertion that they contain gold throughout in every part, with every indication of its being in quantity equal to the *Gilbert*. If worked to the same extent, with the *proof available*, by inspection and report, that they were as rich as the *Gilbert*, the price would be a

hundred times greater than that now asked. But there cannot be a doubt but what many spots on the tract are as rich, for they are selected in the very best part of the gold fields, with lands inspected and favorably reported upon adjoining, with the richest yet known quite near, with a large river frontage, and in the direction of the quartz lodes of the *Gilbert*—of which the largest deposits yet known are manifestly the product—and with the course of the drift therefrom crossing the valley, which would therefore necessarily retain a large portion of the gold.

The owners know that the lands are equal to any in the gold region, and view with certainty the profits to result from their development, but looked at merely from the point of view available to others from the reports already made on that section of the country, these elements of a sound speculation present themselves in the purchase of an interest therein, viz. :

1. *The slightness of the risk of loss* (if any) should the lands prove less prolific in gold than the existing evidence indicates.

2. *The magnitude of the gain*, should the land prove equal—or even any spot upon it prove equal—to the ascertained wealth in its vicinity lying in the direction of the same belt of lodes and presenting the same indications.

On the first of these heads it may be observed that with the mines already proved to be paying, and others that must necessarily be discovered unless all experience of other gold countries be at fault, the enterprise now being introduced into the country will prevent the general price of land from

again falling below the price asked. The risk of loss is therefore small.

On the other hand, the magnitude of the gain is indisputable should the gold be found in quantity at all equal to what any party may be almost certain of by a glance at the map, the properties already developed or reported upon, and the general bearing of all reports upon that section of the country. The purchaser of a mere mining claim in the very best position may miss any valuable deposit, but the purchaser of an interest in a considerable tract so situated has, it may be said, a certainty of finding it in some part.

The question rather is, why, with such indications of value, should so low an estimate be put upon the land? And the answer is simply, that the owners require aid to develop the property, and by retaining an interest will share in the future profit.

With regard to quartz veins, the question of gold existing in them in paying quantity may be considered to have been settled when the theory of the alluvial gold being the result of the "*glacial drift*," having its origin in the rock of some far northern region, was exploded. The geological formation of the locality itself being precisely that of the other gold-producing countries, California, &c., it would have been an odd coincidence if the "glacial drift" had made its rich deposit of gold *just where* the rock of the country also produces gold, and *nowhere else.*

There has no doubt been a local drift which, from the crushed, broken, and decomposed rock on the surface, has distributed the alluvial gold over the face of the country, but the experience of all other gold fields shows that where so much gold exists, some of the quartz veins holding it

must have it in large quantity. It would be contrary to all experience were it otherwise.

But as it is a well-known fact, that in other auriferous countries, some of the quartz lodes contain no gold, some a mere trace, and comparatively few have it in quantity, and as in those countries it has been many years after the alluvial mines were worked that the paying quartz lodes were discovered and developed, so in a country covered everywhere with thick forests, like the Chaudière, it must take some time to test the quartz lodes, and develop the richest. The experience acquired of late years in other countries, will, however, render the auriferous quartz available in this in a much shorter period.

So far, it can merely be said that gold has been found to some extent in *numerous veins*, and in *paying quantity in a few*, while detached boulders, of which the parent veins are not yet known, have been found *enormously rich.*

In judging of any particular property, inasmuch as the richest deposits are generally near the parent veins, what is already known of the country, the direction of the lodes and the drift, and published in numerous reports, will enable any one to form a strong opinion as to the probabilities on which he risks an investment, even in regard to properties that have not been at all prospected.

It must be remarked that in no gold country in the world can gold-bearing lands be held upon such favorable terms as in Canada. In the auriferous regions of the United States, only small mining claims are allowed, and a number of these have to be united to constitute a property at all fit for the operations of a large company. In Australia the same system was followed, and in Nova Scotia, though a settled

country, it has been adopted, and all interest in the gold denied to the proprietors of the soil.

In Canada, however, the liberal law passed last session has recognized the right of the proprietor to the gold on his property ; and therefore it is manifest that to obtain a considerable tract of land in the right position, with a certainty of some of the rich lodes running through it, is, under such a system, worth a small risk, as upon being developed, there is every probability that (independent of mining by the proprietors on their own account) they will be able to sell by the foot what they have purchased by the acre.

It will be remembered that almost every one of the great gold fields had to undergo periods of doubt after their first discovery. The gold fields of California (where the "*drift*" theory also prevailed for a time) were frequently said to be confined to the early discoveries, and that when the known deposits were worked out the supply would fail. Pike's Peak, for a long time after the first rush had gone there, was said to be a bubble that was sure to burst, as the gold was confined to a locality that would soon be exhausted ; but the result proved that the discovery of the riches of Colorado had only commenced. In British Columbia it was long maintained that only a few *bars* on Fraser river would pay, and that these would soon be worked out, but new discoveries every year prove richer than those of the year preceding ; and so it may be said of all the gold regions, that in no one instance has gold been found in paying quantity in one spot without being followed by richer discoveries thereafter.

Is it possible to imagine that the Chaudière will prove an exception, and that the rich diggings on the Gilbert will stand alone ? Even if no other gold-bearing spot were known, a reasonable presumption would still be that many

such existed ; but when hundreds of places, hurriedly tried, present all the same indications, and as readily yield gold, is it even possible that the richness of the auriferous belt of country generally is less than the partially-developed spots yet tried ?

In the foregoing remarks there is no effort at a geological report, the intention being merely to give a condensed view of the known facts as they may be gathered from the numerous reports made, and as they have presented themselves to the undersigned, perhaps the more readily from his intimate knowledge of all that has transpired in relation to the question.

That the gold fields should have remained so long undiscovered, it needs only a local knowledge of the country and the population on its outskirts to explain. The same knowledge would, in some degree, account for the non-development of the region after gold was known to exist, but by far the more important cause, on this head, was the idea that the gold was not the product of the country, but had been casually sprinkled over the locality by the "glacial drift," which prevented outside enterprise from taking any interest in it. The real discovery may therefore be said to date from the fall of 1863, and although checked by the causes explained (which no longer exist)—want of a governing law, jealousy of proprietors, whose rights were threatened, and hence inability of miners to obtain claims, &c.—the operations of 1864 have been most successful and satisfactory.

Wm. McD. Dawson.